A public offer of shares, on a company-by-company basis, was not considered in order to avoid the risk of underpricing or over-pricing since most of the public sector companies were largely unfamiliar to the investment market. In addition, such a large scale sale of public sector shares would have adversely affected the share prices of the existing companies. It was, thus, decided to off-load the shares to the mutual funds and institutional investors so as to act as a buffer between the Government and the stock market. The institutions would gradually off-load these shares into the open market so as to finally ensure a wider holding of the ownership of these shares.

Order Book position of BHEL unit at Tiruchirapalli

2033. SHRI VIREN J. SHAH: Will the PRIME MINISTER be pleased to state:

(a) what was the order book position of the Bharat Heavy Electricals Ltd. in Tiruchirapalli as on April 1, 1991 and April 1, 1992;

(b) whether it is a fact that there is a grim position for the orders during the year 1993-94;

(c) what are the details thereof; and the reasons therefor; and

(d) what steps Government have so far taken to improve the position?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. K. THUNGON): (a) The order book position of BHEL's High Pressure Boiler Plant at Tiruchirapalli is given below:

As on 1-4-91—220,000 Metric tonnes approx.

As on 1-4-92—120,000 Metric tonnes approx.

(b) and (c) Yes, Sir. Based on project requirements, the equipment to be delivered during 1993-94 would total to only 17700 MT approx. which would utilise the manufacturing capacity to the extent of 11 per cent approx. The reason for unsatisfactory order book is the fund constraint with utilities.

(d) BHEL is taking following steps to improve the position:

(i) Mopping up business from existing power stations through supply of spares, renovation and modernisation of old equipment.

(ii) Greater thrust on exports by focussing on specific potential areas.

(iii) Marketing drive to obtain balance orders of VIII and IX Plans for steam generating equipment.

Selling of Public Sector Equity at throw away prices

2034. SHRI YASHWANT SINHA: Will the PRIME MINISTER be pleased to state:

(a) whether millions of rupees will be lost in disinvesting Public Sector equity by selling shares at throw away prices;

(b) if so, the names of public Enterprises disinvesting upto 59 per cent equity in favour of foreign/domestic investors; and

(c) the amount of money that is likely to be raised by off loading Public Sector equity and where these funds are proposed to be utilised?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. K. THUNGON): (a) No, Sir. Since the shares were not sold at throw away prices. In fact the price reduction was more than three times the face value of shares on the average.

(b) In none of the public enterprise. Government have so far disinvested upto 49 per cent equity in favour of foreign/domestic investors.